

March 9, 1999

Mr. Chuck Sleeter
Town Chairman
Town of Nashville
P.O. Box 106
Pickerel, WI 54465

RE: Crandon Mine Project

Dear Mr. Sleeter:

This letter is in response to your letter dated February 27, 1998 to Mr. Bill Tans of the Wisconsin Department of Natural Resources (WDNR) regarding your concern over the use of seepage basins associated with the wastewater discharge from the Crandon Mine Project being located within your Township. In that letter, you highlighted your concern that the WDNR has suggested to Nicolet Minerals Company (NMC) to utilize seepage basins instead of the proposed 38-mile discharge pipeline. I am not aware that the WDNR has or hasn't made this suggestion, but do understand that the WDNR has asked the mining company to further evaluate that option of disposal for the treated waste water. In order for the WDNR, and other Environmental Impact Report (EIR) reviewers, to fully evaluate the options available for the disposal of the treated wastewater, the WDNR has asked the mining company for the information outlined within their February 6, 1998 letter to Mr. Don Moe, NMC. This will enable the reviewers to evaluate the pros and cons of the seepage basin alternative and compare them to the only other two options (38-mile pipeline and no action) that the mining company evaluated within Volume IIIa of the EIR. Also, according the WDNR's February 6, 1998 letter, the possible locations of the seepage basins have not yet been decided, as indicated by the requests asking for the identification of the size, number and location of the seepage cells as well as alternative locations.

The U.S. Environmental Protection Agency (EPA) has been involved in many of the discussions regarding the EIR but has not participated in any meetings with the mining company or the WDNR regarding the use of seepage basins. However, a comment letter, dated March 4, 1998, regarding the EIR, Volume IIIa issues, such as the seepage basins (copy attached) was just mailed by the EPA to the WDNR and to the U.S. Army Corps of Engineers. Overall, I do see several advantages to the use of seepage basins, but the potential negatives definitely need to be evaluated a lot more prior to any decision being made by anyone on this issue. One must remember, however, that the mining company is the entity that needs to choose what option they prefer and it is up to the regulators (state, federal, tribal and local) to evaluate that option for compliance to regulations and ordinances and to evaluate potential environmental impacts..

In your letter, you requested to be furnished with all data, internal memos, letters and/or other

information relating to the permitting process of this mine, including all information relating to the proposal of the seepage basins. As you know, there are file drawers full of documents on this project so instead of supplying you with all data, internal memos, etc. as requested, I have enclosed a nearly fully comprehensive list of all the correspondence that the EPA has received or sent regarding this project over the last several years. If there is anything within this list that you would like to obtain a copy of, please give me a call. I do not recall that any particular documents, except for those highlighted above, pertain to the seepage basins. A copy of the EPA comments dated March 4, 1998 is attached along with the WDNR letter dated February 6, 1998.

The attached list of correspondence is periodically updated and can be found within the EPA's Crandon Mine Project Homepage on the Internet at <<http://www.epa.gov/region5/crandon.htm>>. If you have any more questions regarding this issue or any other issue related to the project, please feel free to call me at 312-886-7252.

Sincerely,

Daniel J. Cozza
Crandon Mine Project Manager
U.S. Environmental Protection Agency

attachment

cc: Bill Tans, WDNR (w/attach)
C. Hauger, COE (w/attach)